

Teesside steel company secures record exports with finance support

- Teesside-based business secures a £15 million funding package from Santander UK, supported by UK Export Finance (UKEF)
- The funding enables Paralloy to fulfil the most exports in its 90-year history, with shipments to North America, the Middle East and Asia-Pacific
- The firm has opened two additional sites and recruited more than 70 new staff following record demand for exports

Minister for Exports, Mike Freer, has today announced that Teesside steel company Paralloy has secured a £15 million funding package from Santander UK with an 80% guarantee from UKEF to support its export-led growth.

The guarantee is a UKEF [General Export Facility \(GEF\)](#), which is designed to help UK businesses easily access funding to cover the cost of international trade and help level up export opportunities for businesses across the UK.

Paralloy makes patented steel alloy castings used in high temperature furnaces and exports 95% of what it makes in the UK to 70 overseas markets. Its exports have reached record levels of up to £50 million, and the firm required general working capital to fulfil record demand for its services.

As the country builds back better from coronavirus, the funding package has enabled Paralloy to take on higher value export contracts, open two new sites in Teesside, and create 76 new highly skilled jobs locally. The firm has plans to hire a further 40 additional staff, including engineers, welders and fabricators this year.

The announcement comes as the UK government embarks on its first [International Trade Week](#) (November 15 – 19), designed to help businesses learn more about selling globally and connect with trade industry experts. The week will launch the 'Made in the UK, Sold to the World' campaign, and will include a series of virtual and in-person events, including daily presentations outlining UKEF's financial support for exporters.

Minister for Exports, Mike Freer MP, said:

It's great to see Paralloy boost its exports, creating more highly skilled jobs in the North East. This support using – UK Export Finance's General Export Facility – shows how the government can help local companies sell to the world helping to level up and build back better than ever before. UKEF has huge liquidity for exporters to tap into. This week's events will raise awareness of how its financial support can help businesses win, fulfil and get paid for export contracts.

Paralloy is one of only a handful of companies worldwide to produce these steel castings and is a key supplier to the blue hydrogen market, which produces virtually no greenhouse gas emissions and is much in demand as firms across the world transition away from polluting fossil fuels.

This UKEF-backed funding package from Santander UK has enabled us to future-proof the business, and provided the working capital to fulfil bigger export contracts. It's truly been a game-changer, and we can now focus on building out our order book even more and hiring the right team to support that.

Mark Ling, Head of Trade & Supplier Finance at Santander UK, said:

Paralloy has successfully navigated unprecedented challenges posed by the pandemic, growing its business significantly over the past 18 months. The General Export Facility offers crucial support to UK businesses, and we are pleased to work with UKEF to provide this funding to Paralloy and a growing number of other companies to help fulfil their international growth ambitions.

Ulviyya Huseynova, Export Finance Manager for North Yorkshire, Humberside and Teesside, said:

This is exactly what the GEF was designed to achieve: empowering a business to focus on its overall growth and unlock more export opportunities. With beginnings in the heart of the UK's metal industry, Paralloy is now helping to power the fuel of the future with its specialist equipment, and I am thrilled that we could provide the necessary support.

About UK Export Finance

UK Export Finance is the UK's export credit agency and a government department, working along-side the Department for International Trade as an integral part of its strategy and operations. Established in 1919, it exists to ensure that no viable UK export should fail for a lack of finance from the private market. It provides finance and insurance to help exporters win, fulfil and get paid for export contracts.

About Santander UK

[Santander UK](#) is a financial services provider in the UK that offers a wide range of personal and commercial financial products and services. At 31 June 2021, the bank had around 20,900 employees and serves around 14 million active customers, via a nationwide branch network, telephone, mobile and online banking. Santander UK is subject to the full supervision of the Financial Conduct Authority (FCA) and the Prudential Regulation Authority

(PRA) in the UK. Santander UK plc customers' eligible deposits are protected by the Financial Services Compensation Scheme (FSCS) in the UK.

Contact